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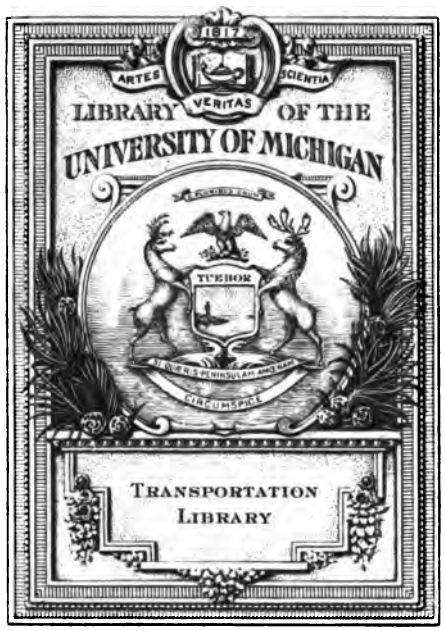
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MESSAGE

FROM

THE GOVERNOR

TO

THE SENATE

AND

HOUSE OF REPRESENTATIVES

OF THE

COMMONWEALTH OF PENNSYLVANIA.

Read in Senate, January 6, 1842.

HARRISBURG:
ELLIOTT & M'CURDY, PRINTERS.

1842.

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1842

MESSAGE.

To the Senate and House of Representatives of the Commonwealth of Pennsylvania:

FELLOW CITIZENS:—

In performance of the duty enjoined on me by the Constitution, I proceed to give you such information of the state of the Commonwealth, and to recommend to your consideration such measures as I think expedient at the present time. The discharge of this duty is, in many respects, beset with difficulty, but this does not absolve me from the obligation created by my official station. In a spirit of perfect frankness, I shall submit to you, the best dictates of my judgment, and shall be happy if, in your wisdom and experience, you can so modify and improve them as to promote in a greater degree, the welfare of our common constituents, the people of this Commonwealth.

The subject of deepest interest, and greatest perplexity, that calls for our attention is, the financial condition of the State. Although I have, on several former occasions, entered into a full and minute exposition of this matter, I cannot refrain from again presenting it to your consideration, in a manner so distinct and plain, as to preclude, I trust, the possibility of misconception on the part of those who feel an honest desire to understand it. I am persuaded that however embarrassed may be the pecuniary affairs of the Commonwealth, nothing is needed to induce the people to provide means to extricate them, but a clear and candid exposition of the nature and extent of the liabilities to which they are subject. The time for concealment, evasion and deception on this point, is at an end. The contract has been made. The faith of the State is pledged, and every consideration of duty and of honor require of us, to know our true condition, and to provide adequate means to meet our obligations, and to redeem our plighted faith.

There is due by this State, to the United States, on account of

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deposite of surplus revenue, the sum of $2,867,514 78. The funded debt of the State, amounts to $36,331,005 68. This debt is reimbursable as follows:

$270,081	87	in the year	1841,
62,500	00	" "	1844,
3,516,568	81	" "	1846,
50,000	00	" "	1847,
1,000,000	00	" "	1850,
2,000,000	00	" "	1853,
3,000,000	00	" "	1854,
2,783,161	00	" "	1856,
7,070,661	00	" "	1858,
1,250,000	00	" "	1859,
2,648,680	00	" "	1860,
120,800	00	" "	1861,
3,225,000	00	" "	1862,
200,000	00	" "	1863,
2,515,000	00	" "	1864,
1,798,010	00	" "	1865,
2,524,000	00	" "	1868,
1,957,362	00	" "	1870,
340,983	00	at the expiration of certain bank charters.	
Total,	$36,331,005 68		

This debt has been contracted for the following purposes:—

For Canals and Railways,	$30,055,013 68
To pay interest on public debt,	3,304,303 00
For the use of the Treasury,	1,571,689 00
For Turnpikes, State Roads, Bridges, &c.	930,000 00
For the Union Canal,	200,000 00
For the Eastern Penitentiary,	120,000 00
For the Franklin Railroad,	100,000 00
For the Pennsylvania and Ohio Canal,	50,000 00
Total,	$36,331,005 68

The value of our public improvements, estimated at cost, is	$29,292,165 33
The State owns bank stock, which cost at par	2,108,700 00
The State owns Turnpike and Bridge stock,	2,843,048 89
The State owns Canal and Navigation stock,	831,778 66
The State owns Railroad stock,	350,546 90
Money due on unpatented lands, estimated at	1,000,000 00
Total,	$36,426.239 78

The immediate difficulty of our situation, arises mainly from the payment of the interest annually accruing on this debt. This interest is about $1.800,000; and this sum, it is incumbent on the State

to provide as it becomes due. The inconsiderable portion of the funded debt, now redeemable, can be, doubtless, postponed until more auspicious times, but the interest admits of no such postponement. This is in a great measure payable to those who cannot afford to procrastinate its reception, and whose means of subsistance depend on the faithful adherence of the State, to its solemn engagements with its loan holders. The income especially appropriated to the payment of this interest, is derived from the following sources, to wit: tolls on canals and railways, auction duties, tax on collateral inheritances, dividends on turnpike, bridge and navigation stocks, escheats, and the tax levied on real and personal property, &c.

The amount received from each of these several sources, during the last fiscal year, ending 30th November last, is as follows:

From tolls on canal and railways,	$762,360 44
" Auction duties,	77,022 15
" Collateral inheritances,	21,591 43
" Dividends on turnpike, bridge and navigation stocks,	30,355 72
" Escheats,	336 64
" Tax on real and personal property, &c.	33,292 77
Total,	$924,959 15

The sum in the treasury, applicable to this object, on the first day of this month, independent of what will be received during the month, was $1,020,936 38, being $124,042 62 more than is necessary to pay the interest due on the first of February next.

In relation to the assessment and collection of the State taxes, under the act of the 11th June, 1840, the greatest delinquency is found with the county commissioners. No return or statement has been received from several of the counties, although required by the sixth section of the said act, to be transmitted to the Auditor General on or before the first Monday of September, in each year. It is, therefore, out of my power to inform you of the amount assessed under said act. From the information however, received, I feel warranted in saying that it will amount to about half a million, or within a fraction of it. That amount will be considerably increased by the valuation and assessment provided by the "act to establish a uniform mode for the valuation of property and assessment of taxes," passed 15th May last; the returns of which are required to be made to the Auditor General within the present month, and will be laid before you as soon as received.

The duty of the county commissioners to make returns of the assessments, &c., to the Auditor General, imposed by law, seems not to be designated and enforced with sufficient precision and certainty. To secure its faithful performance, I recommend a revision of the law.

During the existing state of things, the continuance of taxes assessed, for the payment of this interest, or at least of taxes of some

kind for this purpose, appears to be indispensable. If the distribution of the objects of taxation, or the mode of levying and collecting the tax be unfair or onerous, undoubtedly the evil should be promptly corrected.

I have heretofore declared my determination, to do all that belongs to this department, to meet faithfully the engagements of the State, and to maintain unsullied, the credit and fidelity of our Commonwealth. My sentiments in relation to these matters have undergone no change, and I am pleased to find that on this subject, there is no diversity of opinion among the great mass of the citizens of the State. All agree that, whenever the constituted authorities of the Commonwealth, have entered into engagements conformably to the constitution and laws, whether these engagements have been characterized by due prudence and a proper regard to the interests of the public, or not, the honor of the State, the permanence of our republican institutions, and a sacred regard to the sanctity of public engagements, require that the resources of the Commonwealth, and the energies of her citizens, be put in requisition, to meet her public engagements promptly, punctually, and unhesitatingly. It is, therefore, respectfully and earnestly urged upon the Legislature, to take the necessary steps, at the earliest possible day, to ensure this desirable result.

As the most efficient means that have occurred to my mind, I would suggest the following course. Let the Legislature ascertain from the financial departments, both the ordinary revenue, and the amount necessary to be raised, annually, for the payment of the interest on the state debt, and the ordinary expenses of the government. Let provision also be made to cover all possible contingencies and losses on collection. Add to this a sum, though ever so small, for a sinking fund, to be applied annually to the extinguishment of the principal of the public debt, and apportion it among the several counties of the Commonwealth, designating the amount to be paid by each, by an uniform apportionment according to the triennial, or last assessments, with such corrections and equalization as shall be found necessary, and on the same objects now taxable, or any others that the Legislature may think preferable. Let adequate and certain penalties be imposed on each county commissioner for omitting to have the duplicates issued in time, and on each assessor for the non-performance of his duties, and allow the county such a premium as shall be thought right, if its full quota shall be paid into the treasury on or before the day required by law. It is believed that a committee of the Legislature would be as competent a board as could be raised to apportion the quotas of the several counties, as above mentioned aided, as they will be, by the late assessments and census. The establishment of this system by law would place the fund to meet the interest on the public debt on a permanent foundation, and silence forever all doubts which interested speculators might seek to raise on this subject.

But it is not only to the loan holders of the Commonwealth, that she ought to be just in meeting her engagements. A regard to economy, as well as justice to the men who labor upon the repairs of our canals and railroads, requires that they should be punctually paid. The laborer is worthy of his hire, and is as meritorious a creditor as the Commonwealth has, and it is absolutely disreputable that he should be dependant on the borrowing of money for his pay, and be unable at times, for months together, to procure as much for his labor as will buy him a loaf of bread. It is respectfully suggested, that when abundant means from taxation are provided to meet the interest of the state debt, that the tolls on our public works shall be first applied to their repairs, so that we may know at a glance to what the nett revenue, if any arising from them, respectively amounts.

It is not to be disguised that we are deeply in debt; and that the times call for an unquailing fearlessness in our public functionaries, to meet the emergency, and to provide the means for our extrication. The people are already burdened with taxation, and those burdens cannot be diminished, if we expect to pay our debts. The conduct and motives of those who make provision to pay them, may be misrepresented, and for a time misunderstood. Prejudice, from the sordid feelings of interest, may be invoked, and demagogues and unprincipled politicians, will, doubtless, attempt to use it to answer their own purposes. But the responsibility is one which every honest public functionary must meet fairly and frankly, and in so doing he will be eventually sustained by the people at large, who never deliberately err, and who always will reward with their confidence, an honest and fearless devotion to their true interests, even though it may at first have met with temporary disapprobation.

The means to pay off the loan under the act of 4th May, 1841,—to pay the foregoing creditors of the state, and the interest on the public debt, must be provided before the Legislature adjourns,—Sound policy, nay, common honesty, demands this much at your hands, and I am persuaded no member of the Legislature will shrink from a duty enjoined by such considerations as these.

It will be found on reference to the amount of taxes paid by the people, that comparatively a small portion is levied to discharge the interest on the public debt. Although in the aggregate the taxes are onorous, by far the greater amount is absorbed in the ordinary purposes of township, city and county affairs. I take great pleasure in stating the fact, that the increase of the taxes for the maintenance of the faith and honor of the state, has been regarded in a spirit of patriotic duty by the public at large, and has been borne without repining, unless, indeed, we except a very few persons, residing in portions of the state which have reaped almost the entire benefit of the expenditure of the vast sums of money, for the payment of interest on which these taxes are imposed. I felt satisfied, when I recommended, early in my official career, the resort to taxation, instead of additional loans, to pay the interest annually accruing, that the enlightened yeomanry of Pennsylvania would, under the circumstances, sanction the recom-

mendation. I am now convinced I did not mistake their true character; nor can the extraordinary conduct of some persons, professing better principles, who first urged the adoption of the measure, and afterwards denounced those who acquiesced in it, shake for a moment my steadfast convictions on this subject. I always believed the people would do their duty, let it cost what it might; the first instance is yet to be found in our history when they have flinched from it, if rightly understood.

The unprecedented increase of our population and resources, cannot fail, in a few years to render our improvements so productive as to supercede the necessity for taxation. The ultimate value of our stupendous system of public works can hardly now be estimated.—They have already added an incalculable amount of value to the property of the citizens of the Commonwealth, and given an earnest of their capacity for future usefulness. The travel and transportation upon them must increase in full proportion with the multiplication of our population, and the developement of our exhaustless resources. When it is recollected that the population of this State in the year 1800, was only 602,545; that in 1820, it was 1,049,313; and in 1840, it was 1,725,033; showing an increase within the last twenty years, exceeding the whole population in the year 1800; and when it is remembered that this immense, increased and increasing population has imparted, and is imparting its intellect, energy and industry to the improvements of the agricultural, mining, manufacturing and commercial interests of the Commonwealth; and that during the past year, when trade and business were greatly depressed; when the Delaware division was not in use until about the 1st of August; and when the important anthracite coal trade from the Wyoming, Shamokin and Bear Valleys, and other intermediate points to tide; and the bituminous coal trade from the Allegheny mountain on the West Branch, and Juniata region to tide; have been barely commenced, the receipts of toll amounted to the sum of $762,260 44, it will be difficult to form a just estimate of the extent of their future usefulness and extended receipts.

These internal improvements, for the construction of which the principal amount of the State debt has been incurred, consists of 768¼ miles of canals and railways completed, and 165¾ miles of canals in progress of construction and nearly completed.

The finished works are the following;	miles
The Delaware canal, from Easton to tide at Bristol,	59¾
The main line of canal and railway from Phil'a. to Pittsburg,	395¼
Canal from Beaver on the Ohio river to Greenville, in the direction of Erie,	72¾
Canal from Franklin on the Allegheny river to Conneaut lake,	49¼
Canal, Susquehanna and North Branch from Duncan's Island to Lackawanna,	111¼
Canal, West Branch from Northumberland to Farrandsville,	73
Several side cuts and navigable feeders,	7
Total Canals and railways completed,	**768¼**

Canals in progress and nearly completed:	
North Branch extension, from Lackawanna to New York line,	90
Erie extension from Greenville to Erie harbor,	63¼
Wisconisco canal from Duncan's Island to Wisconisco creek,	12¼
Total canals in progress,	165½

The report of the canal commissioners, with the accompanying documents, which will shortly be laid before you, will show in detail, the state and condition of our public improvements. Having in former communications to the Legislature, stated my views in relation to our system of internal improvements, I beg leave, respectfully, to refer you to them, as being unchanged, without wishing unnecessarily to extend this communication, by embodying them in it.

When I first entered upon the duties of the Executive department, the question of completing the North branch and Erie extensions was submitted to the action of the legislature. The representatives of the people decided in favor of completing both, and have by three subsequent acts, appropriated considerable sums of money for that purpose. The North Branch canal has already cost $2,348,276 38, of which the sum of $389,676 42 remains yet due to contractors. The Erie extension has already cost about $2,919,507, of which the sum of $574,406 23, is yet due to contractors. The grave question is now presented to your serious consideration, whether, under all the circumstances, those two lines are to be forthwith finished, or abandoned for all time to come, and the entire amount of labor and money expended upon them thrown away. Contractors who have gone on to the work, and perhaps executed the least profitable part of it, will have fair claims on the justice of the legislature for remuneration, for the losses they have sustained by an abandonment of the work by the commonwealth. Judging from the success which usually crowns perseverance, in similar applications, before the legislature, there can be little doubt that this class of claimants will not go away unanswered and unsatisfied. The farmer whose lands have been cut up and destroyed, will also be a just claimant for compensation for the injury he has sustained, for which the advantages from the proposed canal will not be an available set off; and it may be well to enquire whether the amount of those claims would not go far towards the completion of those branches of our improvements. The only valid objection to a prosecution of these works to completion, is the difficulty to be apprehended in raising the necessary funds for the purpose. The estimated cost to complete the Erie extension is $536,142 46, and the North Branch $1,298,416, independent of the arrearages due contractors, as before stated, which must be paid at all events. More confidence can be placed in the accuracy of these estimates of the cost of completing these works, than could be extended to those made in the earlier stages of our public improvements, from the increased practical experience of those intrusted with the duty of making them. My own opinion remains unchanged, that it is our true policy to go

on and complete both these works with as little delay as possible This, however, is a question exclusively for your decision.

For the debts now due to contractors on these lines, as well as for repairs on the other lines, rendered indispensable, and without which many portions of our canals would have been unavailable and useless throughout the season, I respectfully urge that some prompt and immediate provision be made. Many of the contractors have laid out of their money for a long time, and have suffered serious injuries by the delay. If no better expedient can be devised, I would recommend the immediate issuing of a six per cent. stock to all such creditors, redeemable at such time as shall be thought most expedient.

The amount required to pay debts due for repairs on the several lines of canal and railroad, it will be observed by the report of the canal commissioners, is unusually large. This is to be ascribed to the unprecedented breach which occurred in the Delaware division, in January last, which cost about $150,000; to the renewal of the North track of the Columbia railroad; to the rebuilding, in a permanent manner, the locks, bridges and aqueducts on several of the divisions, and particularly on the North Branch, where the original superstructures, composed entirely of wood, had so far decayed, as to leave no other alternative, than either to renew them throughout, or abandon the navigation entirely. It is also, in part, to be ascribed to the fact, that only a portion of the funds appropriated by the act of the 4th of May last, for repairs, and to pay debts then due, became available; leaving a large balance of the appropriations to these objects, therein authorized, still due to the public creditors.

There is always, even under the most economical administrations of affairs, a greater amount of expense incurred in managing and keeping in repair great public improvements for the Commonwealth, than it would cost if they were in the hands of individuals. It is, therefore, respectfully suggested for the consideration of the Legislature, whether the public interest would not be promoted, and the amount of the State debt considerably lessened, by a sale of the canals and railroads belonging to the Commonwealth, or at least a portion of them, or such other disposition as would diminish their annual expenses to the Commonwealth, and increase the amount of revenue from them.

Were the Commonwealth free from debt, I should hesitate to recommend the sale of any of her public improvements. But oppressed as she is, the cost which the repairs require, and the necessity of relieving ourselves as far as possible, induce me to urge action on this subject, at least so far as regards the Columbia railroad, and the Delaware division of the Pennsylvania canal. It will matter but little to those interested in the use of the improvements, whether they are in the hands of the public or of individuals, provided proper safeguards are enacted to protect the public in the free use and enjoyment of them, and to guard against ubuses and exactions.

If it be objected that sales cannot be effected in the present state of our pecuniary embarrassments, that will be no reason why a law

should not now be enacted authorizing the sale of such portions of them as shall be deemed proper, subject to the approbation of the Legislature on the sale being reported. If sold, even on an extended credit, if the principal be secured, and the interest punctually paid, it will so far relieve the Commonwealth. If it were made a condition that State stock should be received in payment, it would probably make the sale more advantageous to the Commonwealth. The dispositions of capitalists would thus be made known, and it can at least be ascertained whether a sale at an adequate price can be effected. The policy of leasing for a term of years, one or both of those improvements, has been more than once suggested. Of the propriety of so doing, I am not prepared to express a decided opinion, but have thought it worthy of a suggestion for your consideration.

That the public works should be unproductive, is owing in a great measure to a want of proper legislation on the subject, and unless this be remedied, it must impair public confidence in their ultimate utility. The Canal Commissioners have repeatedly urged upon the Legislature the propriety of allowing the Commonwealth, alone, to carry the passengers on the Columbia railroad. No railroad in the United States could sustain itself, if it were to relinquish the carrying of the passengers, yet, on that road, this strange condition of things is exhibited. The State has expended in its construction over four millions of dollars, while the capital employed by those carrying the passengers, is perhaps thirty thousand dollars. The State on her immense outlay, is reaping about three per cent. while the individual carriers, on their thirty thousand dollars, are clearing nearly 200 per cent. So it is, also, with regard to the transportation between Philadelphia and Pittsburg. That line of our improvement, between those cities, was constructed at a cost of a fraction over fourteen millions of dollars. The transporta ion on it is monopolized by some seven or eight companies, employing a capital of less than one hundred thousand dollars; yet, while the State is receiving little more than will keep it in repair, the transporters are realizing immense profits, and that, too, on a comparatively small outlay.

This can only be remedied by vesting the Canal Commissioners with full and ample authority to adopt such measures as in their judgment will be best calculated to enlist individual enterprise and invite competition, and to counteract the effects of the selfish and monopolizing system that has controlled, and now controls, the transportation on our public works.

It may possibly be supposed that the Canal Commissioners possess adequate power already for this purpose, but this is to mistake the case. From the nature of that department of the government, it is always made the target at which the discontented and interested point their shafts. Not a session of the Legislature passes without harrassing the Commissioners with investigations—the whole State is ransacked for accusers—every act is questioned and misrepresented—and, after all, the result is fruitless. The first instance is yet to be found in which any thing tangible has been produced, or any salutary

reform of the system effected. Were the Legislature to devote one session to an honest and thorough examination and correction of the abuses and defects of the system, without annoying and pursuing individuals for sinister ends, not openly avowed, much good would be produced; but, under any other mode of treating this subject, the issue must be as idle and frivolous as heretofore. I do not wish to preclude the most searching investigation. I merely desire to direct your attention in a channel that will be beneficial to the public.

One of the greatest evils of these frequent and frivolous investigations is, that they bring legislative investigations themselves into discredit. The persecution of the innocent, always affords a shield to the guilty.

It is now, throughout the country, a matter of idle sport to talk of these investigations. The mode by which they are brought about is well understood. A few dissatisfied contractors, and others, impose on the credulity and stimulate the ambition of some members of the legislature to offer a petition, complaining of public grievances. A committee to investigate is appointed,—subpœnas are issued, and straightway, swarms of hungry confederates throng the seat of government, to prosecute their claims before the legislature,—to lounge at the public expense, and join in a wholesale pillage of the treasury. At the close of the session the committee reports,—the witnesses return to their homes, and laugh at the trick, as they pocket the spoils. By reference to this subject, it will be found that a large portion of the legislative expenses is incurred in this way. The extraordinary increase of these expenses, over those of all other departments, has been of late years, a matter of just complaint.

It becomes my duty, in the next place, to invite your earnest attention to the present condition of the banks and currency of this state. It is a most lamentable fact, that, in relation to this subject, the greatest irregularity and disorder prevail. It is true, we have little, if any, of that wretched illegal trash in circulation, which, during the early part of the last six years, infected all sections of the Commonwealth, in the forms of notes, checks, certificates, &c., &c., of corporations and individuals, for small sums, put forth without lawful authority, and in spite of the prohibitions of law: but we have, what is little better, a large amount of notes in circulation, ostensibly legal, and purporting to be of equal value, because founded on the faith of the state, by whatever bank issued, and yet, notwithstanding this fact, discredited and repudiated by the very institutions for whose benefit and relief they were authorized to be issued.

The act of the last session, entitled "An act to provide revenue to meet the demands on the treasury and for other purposes," under the provisions of which, these small notes have been thrown into circulation, having become a law by the sanction of two-thirds of the Legislature, according to the forms of the Constitution, notwithstanding the exertions of the Executive, I have exerted myself to the utmost to see its provisions properly carried into effect. This was my duty, as the Executive, and I have faithfully performed it, agreeably to the

best dictates of my judgment. I did hope that some of the evils which have resulted from it, might have been obviated, if it was enforced by me, and acted upon in a spirit of enlarged wisdom, by the banks themselves. This hope has been vain. The worst anticipations have been realized, and it is my duty to suggest such a remedy as appears to me to be the best calculated to correct the grievances under which the public labors.

By this act a loan of three millions one hundred thousand dollars was authorized, to pay specific appropriations made by the said act, and the several banks of the Commonwealth, subject to the payment of a tax on their dividends, were authorized to subscribe for the same, in certains proportions to the capital stock of each.

The whole amount of banking capital in the Commonwealth is,	$23,559,374
Banking capital not subject to a tax on dividends,	5,150,000
Banking capital subject to the payment of a tax on dividends,	$18,409,374

Of the banking capital subject to the payment of a tax on dividends, banks holding to the amount of $10,836,145, did not accept of the provisions of the act of the 4th May to provide revenue, and hence the capital of the banks which did accept of the provisions of the said act, amounted only to the sum of $7,573.229.

The whole amount of the loan taken by the accepting banks and paid into the treasury is $1,756,650 68, leaving the sum of $1,343,-349 32, which has not been received.

On the 30th August, 1841, I accepted an offer of the Towanda Bank, to subscribe for an additional sum of one hundred thousand dollars of the said loan, and on the same day, I accepted an offer of the Erie Bank, to subscribe for an additional sum of three hundred and fifty thousand dollars.

Of these offers the state treasurer agreed to accept from the Erie Bank, the sum of twenty-five thousand dollars, and from the Towanda Bank, the sum of thirty-seven thousand five hundred dollars. This bank did not accede to the proposition to accept a part of the sum offered, hence no part of the one hundred thousand dollars was received at the treasury. Thus it appears, a very large portion of the banking capital, subject to the operation of this bill, has taken no part of the loan at all, and can, of course, have no claim to indulgence under this law. Those banks which have complied, stand in a different position—their loans must be repaid before they can be forced to resume. It is an inquiry of much moment, whether the banks that have not complied with the requisitions of the law ought not to be deprived of the advantages arising from the use of the notes issued by those that did.

After the most patient reflection on this subject, I am persuaded that the only effectual and certain remedy is, to repeal the act so far as relates to the issue of these notes, and to provide adequate means to discharge the loan on which they are based.—To pay this loan, a six per cent. stock might be authorized to be thrown into market, to

sell for whatever it will produce. Should there be a small loss upon it, I am sure it will be deemed a very inconsiderable matter, compared with the inconvenience the people suffer from the present state of things. To remedy this, a sacrifice, to some extent, is inevitable.

Connected with the repeal of this law, should be the enforcement of specie payments by the banks. An early day should be fixed for this event, at least as early as the first of June. The time, however, is not so material, whether it be a few months sooner or later, so that a certain definite and reasonable time be fixed. Your action on this point, cannot be too prompt for the public interest. The community has been long enough held in suspense—let the final issue be at once presented, and it is to be hoped, the people and the banks will be prepared for it when it arrives.

Those banks which are in a sound condition, will conform to the requisitions of the Legislature, without much embarrassment; and those which are not, will thus be brought to the touchstone of their merits. The first will sustain themselves, the latter must take their fate. As soon as the produce of the country has found its way to market in the spring, the people will be as able as at any other period, to endure whatever hardship results from this measure. I do not myself believe, that any inconvenience which can arise from it, will be greater, nor any thing like so protracted, as those which are felt by all classes now.

It seems to me it would be far better, to bring matters to a crisis at once, than to suffer under the slow, but death-like torpor that has already seized upon all. A very few may, possibly, fall victims a little sooner, who could not escape in the end, but the community at large will ultimately experience effectual relief. Let rashness, violence and injustice be strenuously avoided, but no vain hopes, or empty theories should prevent a cool, calm contemplation of our duty, and a firm and unshaken discharge of it, without turning to the right hand or to the left. A suspension of specie payments is at variance with every principle of correct banking.

The forbearance hitherto extended to the banks has not been without its uses. It has enabled the banks to test their alleged ability, and to extricate themselves from their difficulties, and has added much to the stock of our experience. It has clearly demonstrated, that if the banks could not regain public confidence. under the indulgence they have received, the system on which they are founded is essentially unsound, and requires thorough amendment or extirpation. We have witnessed, too, under its influence the most extraordinary changes take place, without any sudden or general convulsion. A bank of thirty-five millions capital has exploded and gone down in the midst of us comprehending within its sphere of business, the most extensive relations, both with individuals and with other banks, without making more than limited portions of the Commonwealth feel the blow with oppressive weight. Looking, therefore, at all these considerations, the indulgence heretofore given to the banks, furnishes the strongest reason in favor of the course I suggest, and fully justifies its adoption.

I have recommended to three several legislatures the propriety of selling the stock which the State owns in the Bank of Pennsylvania, the Philadelphia Bank, and the Farmers' and Mechanics' Bank and used every argument that I could bring to bear upon the subject, to convince them of the propriety of separating the Commonwealth from the banks, and of disposing of the stock she holds in them. I recommended it in a message, communicated on the 7th March, 1839, on which day the market prices of the said stocks were, for the Bank of Pennsylvania, $496 for $400 paid; Philadelphia Bank $108½ for $100 paid; and the Farmers' and Mechanics' Bank, $62 for $50 paid. The same recommendation was again made on the 8th January 1840, at which time the following was the price of said stocks—for Bank of Pennsylvania $410; Philadelphia Bank $99½; Farmers' and Mechanics' Bank $54¾. A similar recommendation was made 6th January, 1841, on which day the following sales were made, viz: for Bank of Pennsylvania $412; Philadelphia Bank $100; Farmers' and Mechanics' Bank $52½; making the said stocks, held by the Commonwealth, worth $2,157,970. By the last sales made during the present month, the market value of those stocks are, for Bank of Pennsylvania $160; Philadelphia Bank $48; Farmers' and Mechanics' Bank $30; making the present total worth of those stocks $902,424; by which it is seen that by the course pursued by the last legislature in refusing to authorize a sale, the loss sustained by the State, on those stocks, amounts to the formidable sum of $1,255,546. I renew the same recommedation to you, for the reasons given, from time to time, in my several communications on that subject.

Before I dismiss the subject touching the banks, I desire to call your attention to the policy of rechartering banks by the Legislature, during the present session, at all. When a charter for a bank has been granted to a number of individuals, for a fixed period of time, there is no express or implied obligation to renew it. On the contrary, the very limitation shows that its existence is to be terminated at the time designated. Its stockholders know this, and cannot complain if held to their bargain. The condition of banks never is known till they are wound up and closed. Their mode of doing business enables them to defy public scrutiny, and to acquire a credit and standing to which they may not be justly entitled. Frauds and irregularities of years perpetration are concealed from the eye of the public till a final settlement of the affairs of the bank is made. Little knots of persons confederate and gather round these institutions,—reap the benefit of their existence,—monopolize their advantages, and perpetuate their power. We seldom find among them the energy, intellect and enterprise of the community, but those who derive their consequence from their combinations sanctioned and invigorated by the law. I cannot think such a system as this, of perpetuating these corporations, congenial to our free institutions. It establishes monopolies of the most odious kind, because not limited in duration. If the business of the community really requires the aid of a bank,

instead of renewing the charter of the one about to expire, establish a new one. Let its subscription books be open to all, and if it be advantageous, let all share in its enjoyment who may choose to do so, and if not advantageous, let all participate in bearing the burden.

Besides, it is not a fit time to renew bank charters or to establish new ones. The public mind is not settled on this subject, nor can we fully appreciate the soundness or unsoundness of the banking system until a resumption of specie payments takes place. Let the recommendations I have now submitted to you be adopted, and let us wait a year at least to judge of their results. This experience will essentially aid future legislation, and perhaps rescue us from fatal errors. The history of the legislation of this Commonwealth, in regard to banks, is a succession of plausible theories; let us hereafter rest it on the solid basis of enlightened experience. Then may we hope to escape the rock on which all our banks are now temporarily shipwrecked. I hope and trust most, if not all of them are able to resume specie payments; but it is impossible to know this, or to confide in their ability and disposition to do so, until we have the proof which they alone can furnish. The public has ceased to yield its credit to any corporate pretensions, which are not supported by responding acts. I have appended several tables connected with this subject, as affording matters of convenient reference.

The general subject of creating and regulating corporations, is so intimately blended with that of the banking institutions of the Commonwealth, as to claim a place next in our consideration. I have remarked in former messages, that the creation of corporations for all purposes, has been carried to a fearful extent in this State. Year after year they have been springing up around us on all sides, and are rapidly becoming competitors with individuals in all sorts of business. When confined to their legitimate purposes, such as the construction of canals and railroads into our fertile interior and rich mineral regions, I shall not utter a word of complaint; but to this limit, strictly should they be restrained. The increase of corporations is a growing evil. I have again and again cautioned the Legislature against the granting of corporate privileges; I cannot too strongly impress this caution upon your minds. On referring to the acts of the last Legislature, we find the grant of corporate privileges to have been free and almost indiscriminate. So much so, that of 147 laws enacted, more than one third were either acts of incorporation, or acts supplementary thereto. I adhere to the opinion, heretofore expressed, that corporations ought never to be created where the object to be accomplished is within the probable reach of individual exertion. They absolve men from personal liability, and may tend, by undue combinations and concentrated action, to embarrass the operation of the government, and interfere with the popular sovereignty. Let the present Legislature set the example of resisting these monopolizing encroachments. If the propriety of this course was ever doubtful, the experience of a few years past has dissipated all doubt, and clearly marked out the path of duty.

On this subject, there is another matter which has been repeatedly brought under my notice. I allude to the extension of the authority to create corporations for various purposes, conferred on the courts of Common Pleas, by the 13th, 14th, 15th and 16th sections of the act of the 13th of October, 1840, entitled "An act relating to Orphans' courts, and for other purposes." Charters of incorporation are procured under this law, on application to the respective courts of common pleas, without being subjected to any other restraint or control than their own hasty perusal. Notice, to be sure, is directed to be given, but that is of little avail. There is no common standard for the whole State, as was the case when these charters were to be approved by the Attorney General and the judges of the supreme court, and enrolled in the Department of State, at the seat of Government. Under the old system, there was uniformity in the provisions contained in these charters; but now, under this new law, the discretion of different courts may essentially differ, and ultimate confusion and disorder cannot fail to ensue. These domestic corporations, as they may be called, are of great service to the public, but it may be fairly questioned whether it will not detract from their uses to render their creation a matter too ready and unchecked. I invite your attention to this subject, and if you should agree with me in opinion, it will be easy to remove all ground of complaint, by restoring the power of granting these charters to the hands in which it has been safely lodged for upwards of half a century. The delay and inconvenience of the old system were fully counterbalanced by the certainty, consistency and uniformity of the corporate powers and privileges enjoyed by the corporations created.

The Legislature, by the act of 16th June, 1836, conferred equity, or chancery powers, on our supreme court, courts of common pleas, and district courts, in certain specified cases. There are also certain other enactments, on the same subject, in the 39th section of the act of 13th June, 1840, and perhaps in other acts. It is stated that some of the provisions of these various laws are incongruous, that the jurisdiction conferred is not expressly defined, and it has been decided by the supreme court that the parties aggrieved have no redress by appeal from the inferior tribunal to the supreme court, or by writ of error from the latter to the former. If it be deemed advisable to retain the features of these enactments in our jurisprudence, it would seem requisite that the evils complained of should be removed by legislative enactment.

I would also recommend an examination into the state and condition of the extent and business of the several judicial districts of this Commonwealth, so that the amount of labor of the several President Judges, some of whom are at present overburdened, may be in some measure equalized.

There are complaints of the accumulation of business in the courts of the city and county of Philadelphia, and especially of the difficulty of reaching, in a reasonable time, the trial of causes at *nisi prius* in the supreme court. This last is said to arise from the time

that the court is necessarily obliged to devote to the business in banc, where they have to decide appeals and writs of error. Whether such complaints be well founded or not, I am not prepared to say.—A careful examination into the whole subject, and such enactments as shall be found necessary to meet any evils that may exist in the administration of justice, and give to every one an opportunity of speedily trying his cause, is respectfully recommended.

It is often made the subject of complaint that the decisions of the supreme court are not published under the supervision of a reporter appointed by authority of law. I think it is worthy your inquiry, whether the public interest would not be promoted by providing for the appointment of such a reporter, who shall be responsible to the public for the manner in which he discharges his duty.

Complaints continue to be made in many counties of the manner of selecting juries. Unless some additional guard be thrown around this inestimable right, public confidence in the trial by jury will be much diminished. This most wise and venerable of all human and social institutions, must be guarded against the possibility of encroachments, and this long boasted bulwark of liberty protected from prostitution to purposes not intended by the constitution. I therefore recommend that the jurors be annually selected by the judges of the court of common pleas, or some two of them, together with the sheriff, and that they be drawn by them in open court, or that some other provision be made, that the trial by jury may be respected and effectually secured.

The laws relative to collateral inheritances imperatively call for revision, in order to insure the collection of money from that source. I respectfully recommend the adoption of the amendment suggested in a former communication, to enjoin it upon the registers of wills to inquire of all executors and administrators, on oath at the time of granting letters, whether the estate of their testator, or intestate, will be, in their opinion, the subject of the laws relative to collateral inheritances, and that the register give notice of all such to the attorney general, or his deputy, whose duty it shall be to make a record thereof, and enforce the collection, from time to time, of the moneys arising therefrom, and hand over his record to his successor in office.

The eighth section of the sixth article of the constitution provides that all officers, whose election or appointment is not therein provided for, shall be elected or appointed as shall be directed by laws There has been no legislative action on this subject, so far as regards the offices of Surveyor General, Secretary of the Land Office, and Auditor General, since the adoption of that instrument. As the commissions of the present incumbents will expire on the 10th of May next, it would seem to be a suitable time for providing by law for the tenure of those offices. They, with the Secretary of the Commonwealth, constitute what is usually denominated the cabinet, and the Executive is answerable to public opinion for the manner in which they perform their duties; yet under the existing laws he pos-

sesses no power of removing them, even for the most palpable dereliction of duty, during the time for which they are commissioned. I respectfully commend this subject to your attention, and that those officers be placed, as to tenure, on the same footing as the constitution has placed that of the Secretary of the Commonwealth.

So far as respects the office of Attorney General, it seems proper that the tenure should remain as it is. It is in truth a common law office—the incumbent is the legal adviser of the Governor and heads of department, and is the legal hand by which the Executive functions are performed.

The duty will probably devolve on you to make provision for the election of representatives to represent this State in the Congress of the United States. As soon as Congress shall have decided on the apportionment according to the last census, no time shall be lost to lay the same before you.

The report of the Superintendent of Common Schools will put you in possession of the state and condition of our colleges, academies, female seminaries and schools. The general evil, of which we have just cause to complain, is the incompetency of many of those employed as teachers. The compensation to them is generally low, and yet it is generally more than many of them can earn as teachers, if the possession of knowledge and the capacity to impart it be requisites for those entrusted with the moral and mental training of the rising generation. Upon this, and upon all other subjects connected with the important work of education, I must refer you to the report and documents which the superintendent will furnish, and shall only remark, that I will most cheerfully co-operate in any and all measures which shall place the means of acquiring a sound and practical education within the reach of all the children of the Commonwealth —elevate the character and improve the qualifications of our teachers—and enlarge the usefulness and increase the benefits to be derived from our colleges, academies and seminaries. A sound education, under proper moral and religious training, is the best legacy a parent can bequeath to his child, and the best provision a patriot can make to secure the permanence of republicanism in its purity.—To our system of common schools, alone, can we look as the means of imparting this education; and on this system, at last, as the corner stone, must we rest our free institutions, and our best hopes, to see them descend, unshaken, to those who come after us.

The duties of the Superintendent of Public Schools, have become so onerous as to occupy almost the entire attention of the incumbent, and to leave him but little time to devote to the other duties of Secretary of the Commonwealth. I respectfully recommend this subject to your consideration, and whether a regard to the public interest does not require a separation of the duties of Superintendent from that of Secretary of the Commonwealth.

I cannot but repeat what I said in my first annual message, that we are in need of a proper system of school books, to be used in our schools, and which should be composed by competent person-

for the instruction of the youths of Pennsylvania; such a course as would tend properly to impress our youth with a due regard for our Commonwealth, and endear her to their hearts. Her position, wealth and intelligence; the admirable and free system of her laws; her unwavering patriotism and devotion to republican principles; her distinguished philanthropy and benevolence, entitle her, in a pre-eminent degree, to the love and veneration of her children, who should be early taught to estimate her great characteristics.

The twenty-third section of the first article of the constitution of this Commonwealth provides, that "every bill which shall have passed both Houses shall be presented to the Governor. If he approve he shall sign it, but if he shall not approve, he shall return it with his objections, to the house in which it originated, who shall enter the objections at large upon their journals and proceed to reconsider it." The section then proceeds to provide, that such bill, so returned, shall not become a law, unless two-thirds of each house shall, on a call of the yeas and nays, agree to pass the bill. This provision was inserted in our constitution of 1790, and retained in that of 1838, from a conviction of its use, as well as necessity. It was intended for the protection of the people against hasty, improvident and improper legislation. The constitution, while it gives to the two Houses the right to prepare, to amend and pass the several bills, still makes the Executive an active constituent part of the legislative power. This concurrence, in acts of legislation, is required to be expressed in an approbation of the act proposed. When he conscientiously believes that the proposed measure is wrong, he would be reprehensible, were he to give an approbation he cannot feel.—Deriving his power and authority directly from the people of the whole State, his interposition of the veto power may be essentially necessary, to preserve the interests of the Commonwealth from the operations of local causes. Whatsoever reasons, however, induced the imposition of this duty upon the Executive originally, it is enough to say, that the duty is enjoined in our organic law, and I believe wisely. It has been my lot, as well as that of all my predecessors, I believe, on several occasions, to exercise the power thus conferred. I have always done so with due deliberation, and only when the exigencies of the occasion furnished to me satisfactory and conclusive reasons for so doing. It is, however, a power which I have never hesitated to exercise, when duty required it at my hands. During the last session of the legislature, I was obliged to exercise this power oftener than theretofore. I did so, at a time when my conduct was about to undergo the ordeal of public opinion, and there seemed to be a disposition to make the exercise of this power an important issue before the people. That issue was had, and the result has expressed the voice of the public upon it, in a way not easily misunderstood.

Had the duty, thus enjoined by the constitution upon the Executive, been freely and fearlessly performed, in the early legislation upon the subject of our internal improvements, we should not now

be involved in debt to the extent we are, and there would not have been millions of dollars expended upon works of doubtful utility, or of minor public importance. Our main and leading avenues of intercommunication alone, would have been constructed, and the State saved from all danger of being dishonored by failing to meet her engagements. Far be it from me to reflect on my predecessors, but it is our duty to gather wisdom from experience, and to avoid, as far as possible, the repetition of error.

In the months of June and August next, the commissions of the militia officers within this Commonwealth, will expire by their own limitation. It would, therefore, seem to be a fit time to take up that very important, but much abused subject. One of our most important duties is to cherish and encourage the true military spirit among our citizen soldiers. In war, and in all trying emergencies, on them we must rely, chiefly, to protect our homes and firesides from aggression,—our national honor from insult, and our liberty from destruction. It is too much the habit of some, who should know better, to decry and underrate our militia and volunteers. Those who remember their services in the revolution, and late war with Great Britain, entertain a very different opinion. Let the organization of volunteer companies be promoted—let them be furnished with arms and accoutrements—let them devote all the time they can spare, to the acquisition of military discipline, and they will speedily silence the voice of censure and of prejudice, and strengthen the arm of our national defence.

A convention was held within the last season for the purpose of devising and recommending a more effective military system, and the result of their labors will shortly be laid before you; in relation to which I take occasion to say, that the opinions of that convention, combining as it does, much of the talent, experience and military knowledge of the country, will be entitled to, and doubtless will receive at your hands, the most respectful consideration. American freemen should never lose sight of the solemn injunction of the father of our country, "In time of peace prepare for war."

The geological survey of the State is nearly completed—the past season having brought the exploration to a close. As soon as the field work can be reduced to shape, the State Geologist will, this winter, enter upon the preparation of his general report, intended to embody the results of the whole survey. While the final report is in progress, the engraving of the maps and drawings, which will require time, and the arrangements of the State cabinets, as far as they are in readiness, might be advantageously commenced. As a portion of the work can be put to press before the meeting of the next legislature, it seems advisable that provision should be now made, for preparing and publishing the details. This very important survey, developing the nature and extent of our immense mineral resources, having been prosecuted steadfastly to its completion, sound policy and economy certainly require that the results should be embodied and published with all possible despatch.

The enormous amount of capital invested in our various works of internal improvement, admonishes us to exert our utmost power, to render them productive. There is one matter connected with this subject, to which I desire to call your earnest attention. The experience of every year proves more clearly the necessity of our action upon it. I allude to the removal of obstructions from the channel of the Ohio river. The general government has several times directed its inquiries into this measure, but has never yet undertaken the effectual execution of the project. It is a measure in which Pennsylvania is most deeply, but not alone interested. The great and growing western and southwestern States, embracing nearly the entire valley of the Mississippi and its tributaries, have a direct and abiding interest in its speedy completion, as well as Pennsylvania. For the important national purposes, of transporting the mail, for transferring armies, and conveying the munitions of war, it is of quite as great moment. Indeed it addresses itself to every duty, state and national, and appeals to every interest that should command the care and guardianship of both governments, in a manner not easily resisted.

Considering it, (as the legislative guardians of Pennsylvania,) we are constrained to urge it upon the General Government on grounds the most just and unanswerable. Cut off as the navigable communication with our improvements is, from Pittsburg to Louisville, for a large portion of the year, it diminishes the value of those improvements to a ruinous degree,—forces business upon other less direct and convenient routes, and of course, operates to the serious disadvantage of the mercantile, agricultural, and manufacturing classes of our citizens. It is a singular and startling fact, that insurances on goods to be delivered at Cincinnati, are now effected in the city of Philadelphia, cheaper and more readily, by the way of the New York canals, Lake Erie and the Ohio canal, than by the direct and natural route through our own improvements to Pittsburg. I learn that the whole difficulty in this particular, lies in the uncertainty of the navigable state of the Ohio river. Thus is a large share of business daily diverted from our public improvements, and the probability, nay the certainty is, that as regular lines of transportation are established on those collateral improvements, this diversion of business will be greatly augmented. We are most imperatively called upon to look to this matter before it is too late.

In the commencement of her stupendous system of public improvements, this State was induced to incur the vast liability she did, under a conviction that the trade and business of the west and south would afford an adequate return. It was on the general assurance that this would be secured to her, that she opened the highway to the seaboard for those rich and vast interior regions. Pennsylvania now relies on the sense of justice which she knows will, on this, as on all subjects, actuate her sister States, in determining on a measure calculated to alleviate the burthen that is weighing down her citizens. These States which, during the progress of our main line of improvements from Philadelphia to Pittsburg, looked on with an interest

little less lively than our own, will not surely withhold their aid from rendering the channel of the Ohio navigable at all practicable seasons, and thus completing the entire line of improvements began by Pennsylvania, now when experience has demonstrated the necessity of this measure. I trust the Legislature will exert its utmost efforts to engage the National Government in this work, which is so obviously one warranted by its constitutional power, and by sound policy.

It is proper to mention two other measures of national policy in connection with this subject, in both of which this State has such an interest as to justify the interposition of the Legislature. I speak in reference to the establishment of a National Foundry, and the construction of a Dry Dock at Philadelphia. The first of these has recently engaged the attention of Congress, and seems likely to be received with general favor. Not disparaging the claims of other sections of the country, we may without fearing contradiction on very rational grounds, urge in behalf of Pennsylvania, the most conclusive reasons. Among them are our central position, our contiguity to the sea board, our numerous and perfectly safe inland communications with almost every section of the Union, and above all, the deposites of coal and iron scattered throughout our borders, to an extent unknown in any other quarter of the world. We have in these, every conceivable advantage, to recommend some point, perhaps in the valley of the Susquehanna, to the selection of Congress, as a site for a National Foundry; and the same reasons in point of location, apply with equal force in favor of constructing a Dry Dock at Philadelphia. In addition to these, its safety from the attacks of an enemy, its fresh water supplies, its conveniences of procuring timber and workmen, all conspire to enforce its claims upon the notice of the General Government in the most convincing form. I will cheerfully co-operate with you in any manner deemed most advisable in impressing these considerations upon the National Government. If properly represented, I do not think they can be overlooked.

The recent convulsions in our commercial affairs, have tended to the deep and lasting injury of this Commonwealth. I fear it will require years of industry, prudence and integrity, to wipe out the stain from our escutcheon, and to replace us on that solid, manly and proud footing we once occupied in the estimation of the world. The wild and headlong spirit of speculation and stock gambling has brought disgrace to our doors, and stamped every thing depending on our business fidelity, with suspicion and discredit. This taint of character has extended too far. It has reached the whole community, when in truth it ought to have been confined to those only whose folly, imprudence, or dishonesty gave color to the charge.—The great body of our citizens are free from debt, have never engaged in ruinous fancy stock speculations, are abundantly able and willing to comply with all their obligations to each other, and to the citizens of every other State or country. It is true, our situation and habits of business have rendered us a debtor State, and subjected us to respon-

sibilities, which might easily have been avoided under a different system of policy. We purchase large amounts of manufactured goods of all kinds from the eastern States, to consume ourselves, and to sell to the citizens of the south and south west. We are liable on the failure of our debtors, to pay for the commodities we purchased and sold to them, and we of course must pay for those we use ourselves. We can only discharge these debts in cash, or by selling to our eastern manufacturers, our coal and iron in their raw state.— This very iron, in a thousand shapes, we purchase afterwards at an enormous advance for the labor bestowed on its manufacture, and thus become debtors for labor that we ought to perform ourselves. For leather, boots, shoes, &c., cloths and other domestic manufactures, we are daily incurring immense debts to the citizens of other States, and are now, in the hour of our necessities, feeling the heavy hand of the creditor laid on all our resources.

This ought not to be. It is unworthy the great State of Pennsylvania to depend on the manufactures of other states or of foreign countries, to supply her citizens with those articles for the various purposes of life which they can produce themselves as well, as cheaply, and as abundantly as any other people on the face of the globe. Our valleys teeming with plenty, our hills with exhaustless coal and iron deposits—our streams abounding with water power for all purposes unsurpassed by that in any other country—and our citizens stimulated by enterprise and possessing means to render it effectual, should awaken in us that spirit of independence which disdains to seek at the hands of others that which it can furnish with its own. It is with no feelings of envy, or of local jealousy of others, that I bring this subject to your notice; but with an honest feeling of State pride, and a generous emulation, which should inspire us with a determination not to be indebted to others for those solid and useful means of promoting our prosperity and independence which nature has bounteously lavished on our own citizens.

The duty of encouraging manufacturing establishments, to convert to useful purposes our coal and iron, and indeed to supply all our domestic wants, has become one of peculiarly imperative obligation. The commercial calamity under which we are suffering, has been so much heightened by the circumstances to which I have just adverted, and the inability of our citizens to perform all their contracts, has been so greatly exaggerated by the interested and malicious in other States, that self-respect as well as public spirit calls upon us most emphatically to turn a kind and cherishing eye to their advancement. Every measure that can conduce to this end, will meet my most hearty concurrence. I think inquiries on this subject should be instituted. We want facts as the basis of legislative encouragement. Let them be diligently sought for, and when ascertained, let them be promptly applied to some useful purpose. It is high time the Legislature of Pennsylvania should remember that the interests of Pennsylvania are confided to their especial care.

It is a source of pride and gratification to reflect, that but a small

amount of the indebtedness to other States, which is now griping and annoying us, is for commodities disposed of to our own citizens. Nearly every dollar of this domestic debt has been faithfully paid.—The sum now due is for sales made to purchasers in the west and south-west, for whom Pennsylvanians are in truth merely to be regarded as the guarantors. This circumstance is entirely overlooked by our detractors, who are attempting to hold the citizens of Pennsylvania to a rigid accountability, as if she were the very *pack-horse* of the Union, to bear more than her share of all its burthens and responsibilities. This is unjust—we owe it to ourselves to assume our true position.

Permit me, fellow citizens, in conclusion, to urge upon you a thorough and searching inquiry into all abuses of government and all expenditures of the public money, which are not clearly warranted by enlightened prudence. The condition of the public treasury demands this at your hands—and the people confidently trust, that those to whom they have confided the guardianship of their interests, will faithfully perform the duty both of inquiring into, and correcting all the evils they find to exist. It will afford me great pleasure to co-operate with you in the completion of this salutary work. We may meet for a time with obstacles—we will doubtless encounter resistance on the part of those who are interested in perpetuating either abuses or extravagance; but ultimately, we cannot fail to triumph over all difficulties, and to carry into effectual practical operation the great principles of economy and reform—the only true and solid basis on which those who administer the affairs of republican governments, can rest their claims to popular confidence and support.

DAVID R. PORTER.

EXECUTIVE CHAMBER,
6th January, 1842.

TABLE

Shewing the banks of this Commonwealth which are subject to the payment of tax on their dividends, their capital, and the amount each subscribed to the stock created by the act to provide revenue, passed 4th May, 1841.

Names of Banks,	Am't. of Capital	amt. stock sub.
Man. and Merchants' Bank Phila.	$401,300	$71,560
Moyamensing Bank,	250,000	62,500
Bank of Northern Liberties,	350,000	70,000
Bank of Penn Township,	483,674	100,000
Bank of Middletown,	97,275	39,320
Bank of Delaware County,	172,230	43,057
Bank of Northumberland,	160,000	40,000
Bank of Gettysburg,	123,833	30,958
Bank of Germantown,	142,050	35,524
Bank of Lewistown,	197,035	49,258 43
Merchants and Mans,' Bank Pitts.	600,000	120,000
Bank of Chester County,	357,460	71,512
Lancaster Bank,	153,720	38,430
Exchange Bank of Pittsburg,	970,080	177,775
Chambersburg Bank,	264,062	66,000
Farmers' Bank of Lancaster,	400,000	80,000
Harrisburg Bank	300,900	76,042
Far. Bank of Bucks County,	92,220	23,055
Miners' Bank of Pottsville,	199,745	49,936
York Bank,	198,246	49,561
Carlisle Bank,	230,253	57,627
Columbia Bank and Bridge Co.	101,916	25,479
Northampton Bank,	124,685	31,171 25
Far. and Drovers Bk. Waynesburg	75,000	24,750
Lebanon Bank,	70,280	17,570
Bank of Susquehanna County,	100,000	25,000
Monongahela Bank of Brownsville,	126,000	31,500
Towanda Bank,	150,000	37,500
Erie Bank,	101,895	50,474
Wyoming Bank,	80,910	30,232
Farmers' Bank of Reading,	300,360	60,072
West Branch Bank,	100,000	25,000
Berks County Bank,	99,000	45,787
	$7,573,229	$1,756,650 68

TABLE

Shewing the Banks of this Commonwealth which are subject to the payment of a tax on their dividends, their capital, and which did not accept of the provisions of the Act to provide revenue of 4th May, 1841.

Bank of North America	$1,000,000
Philadelphia Bank	1,542,200
Commercial Bank of Pennsylvania	1,000,000
Girard Bank	4,164,100
Western Bank of Philadelphia	500,000
Kensington Bank,	250,000
Southwark Bank,	250,000
Bank of Montgomery County,	261,555
Bank of Pittsburgh,	1,188,290
Doylestown Bank of Bucks County,	60,000
Easton Bank	400,000
Honesdale Bank,	100,000
Franklin Bank of Washington,	120,000
Total,	$10,836,145

Banks which are not subject to a tax on their dividends.

Bank of Pennsylvania,	$2,500,000
Farmers and Mechanics' Bank, (at Philadelphia,)	1,250,000
Mechanics Bank, City and County Phila.,	1,400,000,
	$5,150,000

EXPIRATION OF BANK CHARTERS.

		CAPITAL.
1843.	Farmers' Bank of Reading,	$300,360
"	Farmers' Bank of Bucks county,	92,220
"	Southwark Bank,	250,000
1844.	Farmers' and Mechanics' Bank of Philadelphia,	1,250,000
1845.	Monongahela Bank of Brownsville,	126,000
"	Carlisle Bank,	230,253
"	Chambersburg Bank,	264,062
"	Bank of Montgomery county,	261,555
"	Bank of Delaware county,	172,230
"	Bank of Northern Liberties,	350,000
"	Commercial Bank of Pennsylvania,	1,000,000
1847.	Doylestown Bank of Bucks county,	60,000
"	Moyamensing Bank,	250,000
"	Western Bank of Philadelphia,	500,000
"	Bank of North America,	1,000,000
1848.	Merchants' and Manufacturers' Bank of Pittsburg,	600,000
1849.	Towanda Bank,	150,000
"	Farmers' and Drovers' Bank of Waynesburg,	75,000
"	Columbia Bank and Bridge company,	101,916
"	Bank of Lewistown,	197,035
1850.	Bank of Germantown,	142,050
"	Franklin Bank of Washington,	120,000
"	Wyoming Bank,	80,910
1851.	Lancaster County Bank,	300,000
"	Berks County Bank,	99,000
"	Erie Bank,	101,895
"	Lebanon Bank,	70,280
"	Honesdale Bank,	100,000
"	Miners' Bank of Pottsville,	199,745
"	Exchange Bank of Pittsburg,	970,080
"	Lancaster Bank,	153,720
"	Kensington Bank,	250,000
1852.	Bank of Pittsburg,	1,188,290
"	Bank of Chester county,	357,460
"	Easton Bank,	400,000
"	Farmers' Bank of Lancaster,	400,000
"	Harrisburg Bank,	300,000
"	York Bank,	198,246
"	Bank of Susquehanna county,	100,000
"	West Branch Bank,	100,000
"	Schuylkill Bank,	997,990
1853.	Northampton Bank,	124,685
1855.	Mechanics' Bank of the city and county of Phila.	1,400,000

EXPIRATION OF BANK CHARTERS—*Continued.*

1856.	Girard Bank,	4,164,100
"	Manufacturers' and Mechanics' Bank of Phila.	401,300
"	Bank of Penn Township,	483,674
"	Bank of Northumberland,	160,000
"	Bank of Gettysburg,	123,833
1857.	Bank of Middletown,	97,275
1858.	Bank of Pennsylvania,	2,500,000
1859.	Philadelphia Bank,	1,542,200
1866.	Bank of the United States,	35,000,000

VALUE OF BANK STOCK OWNED BY THE STATE AT THE FOLLOWING DATES.

BANKS.	Number of shares owned by the State.	Par value.	March 7, 1839.		January 8, 1840.		January 6, 1841.		January 3, 1842.	
			Value per share	Amount.	Value per share	Amount.	Value per share	Amount.	Value per share	Amount.
Bank of Pennsylvania,	3,750	$400	$496	$1,860,000	$410	$1,537,500	412	$1,545,000	$160	$600,000
Philadelphia Bank,	5,233	100	108½	567,780	99½	520,683	100	523,300	48	251,184
Farmers' & Mechanics' Bank.	1,708	50	62	105,896	54½	93,513	52½	89,670	30	51,240
				$2,533,676		$2,151,696		$2,157,970		$902,424